

THE VIRGINIA BOARD OF ACCOUNTANCY

The Virginia Board of Accountancy (VBOA) met on Tuesday, December 15, 2009 in Board Room 3 of the Perimeter Center, 9960 Mayland Drive, Richmond, Virginia 23233.

MEMBERS PRESENT: O. Whitfield Broome, Ph.D., CPA, Chairman
Tyrone E. Dickerson, CPA, Vice Chairman
Dian T. Calderone, MTX, CPA, Immediate Past Chairman
Lawrence D. Samuel, CPA
William E. Hunt, CPA
Stephen D. Holton, CPA
Regina P. Brayboy, MPA, MBA

MEMBERS ABSENT: None

STAFF PRESENT: Wade A. Jewell, Executive Director
Dreana L. Gilliam, Board Administrator

PRESENT FOR A PORTION OF THE MEETING: Jean Grant, Enforcement Manager
Ellis M. Dunkum, CPA
Billy Atkinson, CPA, Chairman, NASBA Board of Directors

OTHERS PRESENT: James Walker, CPA, Board Chairman, Virginia Society of Certified Public Accountants
Stephanie Peters, CAE, CEO, Virginia Society of Certified Public Accountants
Maureen Dingus, Executive Vice President, Virginia Society of Certified Public Accountants
Monique Valentine, CPA
John Higgins, CPA
Jennifer Murphy

CALL TO ORDER

Chairman Broome called the meeting to order at 10:10 a.m.

SECURITY BRIEFING

Ms. Gilliam provided the emergency evacuation procedures.

DETERMINATION OF QUORUM/APPROVAL OF AGENDA

After the declaration of a quorum, upon a motion by Mr. Hunt and duly seconded, the members voted unanimously to approve the December 15, 2009 agenda. The members voting “**AYE**” were Mr. Holton, Ms. Calderone, Mr. Samuel, Mr. Dickerson, Mr. Hunt, Ms. Brayboy and Dr. Broome.

APPROVAL OF MEETING MINUTES

Upon a motion by Mr. Dickerson and duly seconded, the members voted unanimously to approve the November 17, 2009 meeting minutes.

Upon a motion by Mr. Samuel and duly seconded, the members voted unanimously to approve the November 24, 2009 meeting minutes.

PUBLIC COMMENT

Members of the public were in attendance and were asked to introduce themselves. No public comment was made at this time

NASBA PRESENTATION/DISCUSSION

Dr. Broome introduced Ellis M. Dunkum, CPA, former VBOA member/chair, and Billy Atkinson, CPA, Chairman, NASBA Board of Directors. Following the introduction, Mr. Atkinson presented Mr. Dunkum with the NASBA Distinguished Service award. A brief time for congratulations was permitted and pictures were taken of Mr. Dunkum, Mr. Atkinson, and the Board members.

Mr. Atkinson led the discussion regarding NASBA. He provided a comprehensive overview of the NASBA mission, goals, and current activities.

NASBA’s goal is to provide high quality programs and services, identify, research and analyze major current and emerging issues affecting state boards, strengthen and maintain communication with member boards to facilitate the exchange of ideas and opinions, and develop and foster relationships with organizations that impact the regulation of public accounting.

Major current activities included renegotiation of domestic computer based testing with the AICPA and Prometric, international CPA exam delivery agreement, Accounting Review Services Committee (ARSC) report, private company financial reporting/accounting standards, mobility, Accountancy Licensee Database (ALD), NASBA participation with other regulatory/authoritative bodies, global and domestic initiatives, and other matters directly related to the accounting profession.

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NASBA REGISTRY and QAS PROGRAMS DISCUSSION

Dr. Broome provided a summary of the NASBA Registry and QAS programs presentation (October 20, 2009). Mr. Jewell will review the current NASBA Quick Polls for information regarding how other state boards handle CPE sponsor registration.

AICPA COMMUNICATIONS DISCUSSION

Dr. Broome led the discussion regarding a CBT-e transition issue. The addition of written communication to the BEC section and its removal from the other three exam sections may cause minor issues. A CPA Examination Transition Task Force, established by the AICPA and including representation from NASBA's CPA Licensing Examinations Committee, has determined that no action is required by the state boards. The possibility that some candidates will not be tested in written communication is not a threat to the protection of the public interest.

Dr. Broome led the discussion regarding changes to the Uniform CPA Examination that will be implemented on January 1, 2011. Changes to the section structure, time allocations, and scoring weights will allow for quicker score reporting. VBOA will notify firms and educators of the pending changes to the CPA exam.

BOARD MEMBER/COMMITTEE UPDATES

Ms. Calderone led the discussion/presentation of the Board of Accountancy website. Following the review and discussion of the best user-friendly board of accountancy websites as determined by Ms. Calderone's research, it was determined that Mr. Jewell would contact the Washington Board of Accountancy for information regarding their website design.

Mr. Samuel led the discussion regarding Frequently Asked Questions (FAQs) and advised that he will schedule a working session with Mr. Holton to ensure the FAQs are in line with the proposed regulations.

Mr. Hunt led the discussion regarding the Peer Review Committee and advised no new updates at this time.

Mr. Holton led the legislative/regulatory discussion and advised the draft regulations are ready for submission. He will email the draft regulations to members following the meeting.

EXECUTIVE DIRECTORS REPORT

Mr. Jewell provided an update regarding VBOA My License Office (MLO) and eGov functionality. Mr. Jewell and Ms. Charity, Licensing/Examinations Manager met with the Department of Health Professions (DHP) to discuss concerns regarding the system. Before Mr. Jewell contacts Systems Automation (SA), he will meet with DHP to further discuss his concerns. VBOA has not received a follow-up response from SA regarding the eGov Internet browser issues experienced by exam candidates and regulants.

Mr. Jewell advised the members that he met with the incoming Governor's transition team last Friday. The meeting was extremely informative. Discussions included the proposed draft regulations, as well as potential regulation changes to be submitted in the spring.

Mr. Jewell advised the members that the mileage rate will decrease to .50 on January 1, 2010. In addition, members were reminded to complete and submit their annual statement of economic interest and financial disclosure forms no later than January 12, 2010.

Mr. Jewell provided an update regarding the VBOA financial statement, flash report, and the 2009 APA audit. Final financial statements will be presented during the January 22, 2010 board meeting. Mr. Jewell advised the members that staff presented a number of policies following his request. He will continue to review and discuss board policies with staff prior to the next presentation to the full board.

ENFORCEMENT REPORT

Dr. Broome provided Ms. Murphy and Mr. Higgins the opportunity to address the members of the board prior to beginning the closed meeting. Due to their involvement with the cases, Mr. Holton and Mr. Dickerson left the room and did not participate in the discussion or vote.

BEGIN CLOSED MEETING

Upon a motion by Ms. Calderone, and duly seconded, the members approved by unanimous vote that the meeting be recessed and the VBOA immediately reconvene in closed meeting to discuss and consider a disciplinary matter relating to enforcement cases 2009-D0035, 2009-0017, 2009-D0026, 2009-U0030, 2009-U01, and 2009-003U lawfully exempted from open meeting requirements within the jurisdiction of the VBOA as permitted by § 2.2-3711.A.27 of the *Code of Virginia*. The following non-members were in attendance to reasonably aid the consideration of the topic: Jean Grant, Enforcement Manager, and Wade A. Jewell, Executive Director.

The members voting “**AYE**” were Ms. Calderone, Mr. Hunt, Ms. Brayboy, Mr. Samuel, and Dr. Broome.

END CLOSED MEETING

Upon a motion by Ms. Calderone, and duly seconded, the VBOA approved by unanimous vote that the closed meeting, as authorized by § 2.2-3712.A of the *Code of Virginia*, be adjourned and that the VBOA immediately reconvene in open public meeting. The members voting “**AYE**” were Ms. Calderone, Mr. Samuel, Mr. Hunt, Dr. Broome, and Ms. Brayboy.

Upon a motion by Ms. Calderone, and duly seconded, the VBOA made the following certification by roll call vote:

WHEREAS, the VBOA has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provision of the Virginia Freedom of Information Act; and WHEREAS, § 2.2-3712.A of the *Code of Virginia* requires a certification by this VBOA that such closed meeting was conducted in conformity with Virginia law; NOW THEREFORE, BE IT RESOLVED that the VBOA hereby certifies that, to the best of each member’s knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the VBOA.

CALL FOR VOTE:

Dian T. Calderone, MTX, CPA – Aye
O. Whitfield Broome, Ph.D., CPA – Aye
Lawrence D. Samuel, CPA – Aye
Tyrone E. Dickerson, CPA – Not Present/No Vote
Stephen D. Holton, CPA – Not Present/No Vote
Regina P. Brayboy, MPA, MBA – Aye
William E. Hunt, CPA – Aye

VOTE

AYES: Five (5)

NAYS: None.

ABSENT DURING VOTE: Mr. Dickerson and Mr. Holton

ABSENT DURING MEETING: None

The following actions were taken as a result of the closed meeting:

File Number 2009-D0035 (Karstetter) (*Dickerson & Holton*)

In the matter of **File Number 2009-D0035** (Karstetter), Mr. Karstetter was not present nor represented by counsel:

Upon a motion by Mr. Hunt, and duly seconded, the Board by unanimous vote accepted the recommendations of the presiding officer. The members voting “**AYE**” were Ms. Calderone, Mr. Samuel, Dr. Broome, Mr. Hunt, and Ms. Brayboy.

File Number 2009-0017 (Vance) (*Dickerson & Holton*)

In the matter of **File Number 2009-0017** (Vance), Mr. Vance was not present nor represented by counsel:

Upon a motion by Mr. Samuel, and duly seconded, the Board by unanimous vote remanded the case back to the Enforcement Committee for additional information. The members voting “**AYE**” were Ms. Calderone, Mr. Samuel, Dr. Broome, Mr. Hunt, and Ms. Brayboy.

File Number 2009-D0026 (Higgins) (*Dickerson & Holton*)

In the matter of **File Number 2009-D0026** (Higgins), Mr. Higgins was present; however, he was not represented by counsel:

Upon a motion by Ms. Calderone, and duly seconded, the Board by unanimous vote remanded the case back to the Enforcement Committee for further review and consideration. The members voting “**AYE**” were Ms. Calderone, Mr. Samuel, Dr. Broome, Mr. Hunt, and Ms. Brayboy.

File Number 2009-U0030 (Conrad) (*Dickerson & Holton*)

In the matter of **File Number 2009-U0030** (Conrad), Ms. Conrad was not present nor represented by counsel:

Upon a motion by Mr. Samuel, and duly seconded, the Board by unanimous vote approved the presiding officer’s recommendation. The members voting “**AYE**” were Ms. Calderone, Mr. Samuel, Dr. Broome, Mr. Hunt, and Ms. Brayboy.

File Number 2009-U0001 (Cooper) (*Dickerson & Holton*)

In the matter of **File Number 2009-U0001** (Cooper), Mr. Cooper was not present nor represented by counsel:

Upon a motion by Mr. Samuel, and duly seconded, the Board by unanimous vote remanded the case back to the Enforcement Committee for further review and consideration. The members voting “**AYE**” were Ms. Calderone, Mr. Samuel, Dr. Broome, Mr. Hunt, and Ms. Brayboy.

File Number 2009-003U (Murphy) (*Dickerson & Holton*)

In the matter of **File Number 2009-003U (Murphy)**, Ms. Murphy was present; however, she was not represented by counsel:

Upon a motion by Ms. Brayboy, and duly seconded, the Board by unanimous vote approved a modified consent order. The members voting “**AYE**” were Ms. Calderone, Mr. Samuel, Dr. Broome, Mr. Hunt, and Ms. Brayboy.

FUTURE MEETING DATES

Friday, January 22, 2010 – 10 a.m.
Friday, April 23, 2010 – 10 a.m.

CONFLICT OF INTEREST FORMS/TRAVEL EXPENSE VOUCHERS

Chairman Broome asked the members to complete and sign their conflict of interest forms, and to complete and sign their travel expense vouchers.

ADJOURNMENT

There being no further business before the VBOA, upon a motion by Dr. Broome and duly seconded, the meeting was adjourned by unanimous vote at 3:55 p.m. The members voting “**AYE**” were Ms. Calderone, Ms. Brayboy, Mr. Holton, Mr. Samuel, Mr. Dickerson, Mr. Hunt, and Dr. Broome.

APPROVED:

O. Whitfield Broome, Ph.D., CPA, Chairman

COPY TESTE:

Wade A. Jewell, Executive Director